

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (U338E) for Approval of the Results of Its 2016 Energy Storage and Distribution Deferral Request for Offers.

Application 17-12-002

Application of Pacific Gas and Electric Company for Approval of Agreements Resulting from Its 2016-2017 Energy Storage Solicitation and Related Cost Recovery (U39E).

Application 17-12-003

**DECISION GRANTING INTERVENOR COMPENSATION
CLAIM OF THE UTILITY REFORM NETWORK FOR
SUBSTANTIAL CONTRIBUTION TO DECISION 18-10-009**

Intervenor: The Utility Reform Network (TURN)	For contribution to Decision (D.) 18-10-009
Claimed: \$28,191.65	Awarded: \$28,191.65
Assigned Commissioner: Liane M. Randolph	Assigned ALJ: Michelle Cooke, Brian Stevens

PART I: PROCEDURAL ISSUES

A. Brief description of Decision:	In D.18-10-009, <i>Decision Approving Energy Storage Agreements and Associated Cost Recovery Mechanisms</i> , the Commission approved and granted cost recovery for one energy storage contract proposed by Southern California Edison Company (SCE) and six energy storage contracts proposed by Pacific Gas and Electric Company (PG&E) that resulted from each utility's 2016 Energy Storage Request for Offers. This procurement counts towards PG&E's and SCE's AB 2514 energy storage targets adopted by the Commission.
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B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812¹:

	Intervenor	CPUC Verification
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	2/7/2018	Verified
2. Other specified date for NOI:	N/A	N/A
3. Date NOI filed:	3/9/18	Verified
4. Was the NOI timely filed?		
Showing of eligible customer status (§ 1802(b) or eligible local government entity status (§§ 1802(d), 1802.4):		
5. Based on ALJ ruling issued in proceeding number:	I.15-08-019	Verified
6. Date of ALJ ruling:	11/8/17	Verified
7. Based on another CPUC determination (specify):		N/A
8. Has the Intervenor demonstrated customer status or eligible government entity status?		Yes.
Showing of “significant financial hardship” (§1802(h) or §1803.1(b)):		
9. Based on ALJ ruling issued in proceeding number:	I.15-08-019	Verified
10. Date of ALJ ruling:	11/8/17	Verified
11. Based on another CPUC determination (specify):		N/A
12. Has the Intervenor demonstrated significant financial hardship?		Yes
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.18-10-009	Verified
14. Date of issuance of Final Order or Decision:	10/19/2018	Verified
15. File date of compensation request:	12/14/2018	Verified
16. Was the request for compensation timely?		Yes

¹ All statutory references are to California Public Utilities Code unless indicated otherwise.

PART II: SUBSTANTIAL CONTRIBUTION**A. Did the Intervenor substantially contribute to the final decision (see § 1802(j), § 1803(a), 1803.1(a) and D.98-04-059):**

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
<p>Cost-Effectiveness of the Powin Contract</p> <p>TURN recommended that the Commission only approve SCE's proposed Powin storage contract if it concluded that the qualitative benefits claimed by SCE are likely to occur and outweigh the economic risks to ratepayers associated with the contract. TURN indicated our belief that the cost-effectiveness of the project is a close call, and as such, suggested that the Commission carefully consider the value of the qualitative benefits identified by SCE in order to approve the Powin contract.</p> <p>The Commission in D.18-10-009 approved the Powin contract after carefully considering SCE's claims of qualitative benefits, as TURN had urged. As the Commission explained, "We find that the price and terms of the Powin contract are reasonable because the combination of the quantitative and qualitative benefits in the Powin project are likely to establish cost-effectiveness. Factoring in the qualitative benefits that SCE references, it is persuasive that this project is cost-effective."</p>	<ul style="list-style-type: none"> • Ex. TURN-1 (Testimony of Eric Borden), pp. 1-3 • TURN Closing Brief, p. 2 • TURN Reply Brief, p. 7 • D.18-10-009, p. 22 and Finding of Fact 17 ("The combination of quantitative and qualitative benefits persuasively indicates that SCE's proposed Powin contract is cost effective.") 	<p>Verified</p>

<p>Energy Storage Cost-Effectiveness Policy</p> <p>TURN recommended that the Commission provide clarity on the standard for demonstrating cost-effectiveness in the context of AB 2514 procurement. While the Commission did not provide the specific clarification suggested by TURN, the Commission agreed with TURN that more clarity surrounding the cost-effectiveness valuation metrics for energy storage systems might be prudent to provide as the energy storage market matures.</p>	<ul style="list-style-type: none"> • TURN Reply Brief, p. 4 • D.18-10-009, p. 22 	Verified
<p>Promoting Multiple Use Applications of Energy Storage</p> <p>(1) TURN recommended that the Commission, if it approved the Powin contract, direct SCE to evaluate the possibility of contracting with the Powin storage facility for distribution reliability should a future distribution reliability need arise.</p> <p>(2) When SCE claimed that this issue was beyond the scope of the proceeding, TURN demonstrated that requiring SCE to evaluate additional uses for Powin – should future system conditions indicate a distribution deferral need – is consistent with the Commission’s intent to</p>	<ul style="list-style-type: none"> • Ex. TURN-01, pp. 3-5 • TURN Closing Brief, p. 3 • TURN Reply Brief, pp. 1-3 • D.18-10-009, pp. 22, 23 	Verified

<p>encourage multiple-use applications of energy storage resources, as set forth in D.18-01-003, and therefore within the scope of this proceeding.</p> <p>The Commission in D.18-10-009 agreed with TURN that, as a general matter, “SCE should ensure that it is obtaining the maximum net value from the [Powin] resource.” The Commission adopted TURN’s recommendation, directing as follows: “[I]f a distribution deferral need arises at the Milpas circuit in the future, we direct SCE to consider all feasible options for meeting the need, including assessment of whether the Powin facility has the capability to meet the need and, if it does, whether it is cost competitive with other options.”</p>		
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B. Duplication of Effort (§ 1801.3(f) and § 1802.5):

	Intervenor’s Assertion	CPUC Discussion
a. Was the Public Advocate’s Office of the Public Utilities Commission (Cal Advocates) a party to the proceeding?²	Yes	Yes
b. Were there other parties to the proceeding with positions similar to yours?	No	No
c. If so, provide name of other parties:		N/A

² The Office of Ratepayer Advocates was renamed the Public Advocate’s Office of the Public Utilities Commission pursuant to Senate Bill No. 854, which the Governor approved on June 27, 2018.

<p>d. Intervenor’s claim of non-duplication: TURN coordinated closely with the Public Advocates Office (then called the Office of Ratepayer Advocates) from the outset of this proceeding. As a result of that coordination, TURN was able to focus its efforts on SCE’s application (after conducting an initial analysis of both applications and continuing to monitor litigation on PG&E’s application). The Public Advocates Office, in turn, focused on PG&E’s application. As such, TURN submits that there was no undue duplication.</p>	<p>The Commission does not find that any reduction to TURN’s claim is warranted due to duplication of the work of others.</p>
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PART III: REASONABLENESS OF REQUESTED COMPENSATION

A. General Claim of Reasonableness (§ 1801 and § 1806):

	CPUC Discussion
<p>a. Intervenor’s claim of cost reasonableness:</p> <p>TURN’s request for intervenor compensation seeks an award of approximately \$28,000 as the reasonable cost of our participation in this proceeding. TURN submits that these costs are reasonable in light of the importance of the issues TURN addressed and the benefits to customers.</p> <p>TURN’s advocacy reflected in D.18-10-009 addressed policy matters related to the Commission’s Energy Storage Procurement program, rather than specific rates or disputes over particular dollar amounts. In an effort to ensure appropriate Commission oversight of the new program, minimize the risk of market dysfunction, and maximize benefits to ratepayers from storage procured through the program, TURN specifically focused on the importance of carefully examining whether SCE’s proposed Powin contract would confer reasonable benefits on ratepayers in light of the costs, as intended by the Legislature in Assembly Bill (AB) 2514 and the Commission in D.13-10-040. TURN urged close scrutiny of the qualitative benefits claimed by SCE, given the economic risks presented by the contract. TURN presented factors to weigh to that end, which the Commission then evaluated in D.18-10-009. TURN also focused on the extent to which the Powin contract – as a Resource Adequacy only contract -- was consistent with, or would otherwise advance, the Commission’s intent to encourage multiple use applications of storage resources, as set forth in D.18-01-003. TURN demonstrated that it would be short-sighted to preclude the possibility that the Powin storage facility could provide distribution reliability services in the future, assuming they can be procured by SCE at a cost lower than the traditional distribution upgrade. The Commission adopted TURN’s recommendation aimed at ensuring that SCE considers this potential additional use of Powin should a future need arise.</p>	<p>The Commission finds that TURN’s claim is reasonable given TURN’s substantial contribution to this portion of the proceeding.</p>

<p>TURN cannot easily identify precise monetary benefits to ratepayers from our work in this proceeding, given the nature of the issues presented. Despite the lack of easily quantifiable customer benefits, TURN submits that its positive impact on the Commission's policies regarding the Energy Storage Procurement program in this proceeding will afford ratepayers significant benefits, as the establishment of energy policies has a direct and lasting impact on customer rates. As such, the Commission should treat this compensation request as it has treated similar past requests with regard to the difficulty of establishing specific monetary benefits associated with TURN's participation (or that of another intervenor). (<i>See, e.g.</i> D.13-12-027, p. 11 (awarding Sierra Club California intervenor compensation for energy storage policy work in R.10-12-007); D.15-07-028, p.7 (awarding TURN intervenor compensation for energy storage policy work in A.14-02-006 et al.); and D.16-06-027 and D.18-07-022 (awarding TURN intervenor compensation for energy storage policy work R.15-03-011).³</p> <p>For all of these reasons, the Commission should find that TURN's efforts have been productive.</p>	
<p>b. Reasonableness of hours claimed:</p> <p>This request for compensation includes approximately 90 hours of work, including almost 50 hours of TURN's attorney time, 30 hours of TURN's in-house energy analyst's time, and 10 hours of expert consultant time. This time reflects TURN's initial analysis of both SCE's and PG&E's applications, TURN's preparation of testimony and closing and reply briefs related to SCE's application (once TURN decided to focus our efforts on SCE), TURN's continued monitoring of litigation related to PG&E's application to determine whether to weigh in, and TURN's review of and comments on the Proposed Decision that preceded D.18-10-009.</p> <p>TURN assigned this proceeding to staff attorney Hayley Goodson and energy analyst Eric Borden, both of whom have worked on prior</p>	<p>The Commission finds that the hours claimed by TURN are reasonable.</p>

³ See also D.99-12-005, pp. 6-7 (Compensation Decision in 1995 Storm Phase of PG&E GRC, A.97-12-020) and D.00-04-006, pp. 9-10 (Compensation Decision in Edison PBR Midterm Review, A.99-03-020) (recognizing the overall benefit of TURN's participation where that participation assisted the Commission in developing a record on which to assess the reasonableness of the utility's operations, and particularly its preparedness and performance in the future); D.00-05-022 (Compensation Decision in the Emergency Standards Proceeding) (awarding TURN \$92,000 in D.00-10-014 for our substantial contribution to the earlier decision, despite TURN's inability to assign a dollar value to the benefit of our participation in order to demonstrate "productivity." Interestingly, the Commission awarded compensation even though the emergency restoration standards may never come into play in the future, since they come into play only after a "major outage," which is defined as impacting more than 10% of a utility's customers. The contingent nature of the future standards did not cause the Commission to hesitate in awarding TURN compensation.).

<p>proceedings related to the Commission’s Energy Storage Procurement Program. TURN also relied on outside expert consultant Kevin Woodruff of Woodruff Expert Services, as we have in prior energy storage proceedings. Mr. Woodruff has extensive experience with energy procurement, renewable procurement, LTTP, and resource adequacy issues, making him a useful resource as TURN determined what to focus on and developed its positions in this proceeding.</p> <p>TURN submits that the Commission should find the hours requested here to be reasonable under the circumstances, and that TURN’s showing supports that conclusion. However, should the Commission believe that more information is needed or that a different approach to discussing the reasonableness of the requested hours is warranted here, TURN requests the opportunity to supplement this section of the request.</p>																									
<p>c. Allocation of hours by issue:</p> <p>TURN has allocated its daily time entries by activity codes to better reflect the nature of the work reflected in each entry. TURN has used the following activity codes:</p> <table><tr><th>Code</th><th>Description</th><th>Allocation of Time</th></tr><tr><td>Powin</td><td>Work related to SCE's proposed Powin contract</td><td>40.1%</td></tr><tr><td>C-E</td><td>Work related to cost-effectiveness policy</td><td>10.8%</td></tr><tr><td>#</td><td>Work related to multiple substantive issue areas that is not easily allocated to specific issues.</td><td>8.2%</td></tr><tr><td>GP</td><td>The work in this category includes activities associated with general participation in this proceeding.</td><td>24.1%</td></tr><tr><td>PD</td><td>This work was related to the Proposed Decision that preceded D.18-10-009</td><td>8.0%</td></tr><tr><td>Comp</td><td>Intervenor Compensation: work preparing TURN's NOI and this Request for Compensation</td><td>8.8%</td></tr><tr><td>TOTAL</td><td></td><td>100%</td></tr></table> <p>If the Commission believes that a different approach to issue-specific allocation is warranted here, TURN requests the opportunity to supplement this section of the request.</p>	Code	Description	Allocation of Time	Powin	Work related to SCE's proposed Powin contract	40.1%	C-E	Work related to cost-effectiveness policy	10.8%	#	Work related to multiple substantive issue areas that is not easily allocated to specific issues.	8.2%	GP	The work in this category includes activities associated with general participation in this proceeding.	24.1%	PD	This work was related to the Proposed Decision that preceded D.18-10-009	8.0%	Comp	Intervenor Compensation: work preparing TURN's NOI and this Request for Compensation	8.8%	TOTAL		100%	<p>The Commission finds that TURN’s allocation of time by issue is reasonable.</p>
Code	Description	Allocation of Time																							
Powin	Work related to SCE's proposed Powin contract	40.1%																							
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TOTAL		100%																							

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Hayley Goodson, TURN Staff Attorney	2017	0.50	\$405	D.18-01-020	\$202.50	0.50	\$405	\$202.5
Hayley Goodson, TURN Staff Attorney	2018	40.00	\$435	D.18-04-020	\$17,400.00	40.00	\$435	\$17,400.00
Eric Borden, TURN Energy Analyst	2017	1.75	\$205	D.18-07-022	\$358.75	1.75	\$205	\$358.75
Eric Borden, TURN Energy Analyst	2018	28.00	\$210	D.18-11-043	\$5,880.00	28.00	\$210	\$5,880.00
Kevin Woodruff, Woodruff Expert Services	2018	10.00	\$265	D.18-07-022	\$2,650.00	10	\$265	\$2,650.00
Subtotal: \$26,491.25						Subtotal: \$26,491.25		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
Hayley Goodson	2018	7.75	\$217.50	1/2 of 2018 hourly rate; D.18-04-020	\$1,685.63	7.75	\$217.50	\$1,685.63
Subtotal: \$1,685.63						Subtotal: \$1,685.63		

COSTS				
#	Item	Detail	Amount	Amount
1.	Copies	Copies of filings related to A.17-12-002 et al.	\$6.30	\$6.30
2.	Postage	Mailing costs for filings related to A.17-12-002 et al.	\$8.47	\$8.47
			<i>Subtotal: \$14.77</i>	<i>Subtotal: \$14.77</i>
			<i>TOTAL REQUEST: \$28,191.65</i>	<i>TOTAL AWARD: \$28,191.65</i>
<p>*We remind all intervenors that Commission staff may audit the records and books of the intervenors to the extent necessary to verify the basis for the award (§1804(d)). Intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time are typically compensated at ½ of preparer’s normal hourly rate</p>				
ATTORNEY INFORMATION				
Attorney		Date Admitted to CA BAR ⁴	Member Number	Actions Affecting Eligibility (Yes/No?) If “Yes”, attach explanation
Hayley Goodson		December 2003	228535	No

C. Attachments Documenting Specific Claim and Comments on Part III:

Attachment or Comment #	Description/Comment
Attachment 1	Certificate of Service
Attachment 2	Timesheets for TURN's Attorney and Experts
Attachment 3	TURN Direct Expenses Associated with D.18-10-009
Attachment 4	TURN Hours Allocated by Issue

⁴ This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch> .

PART IV: OPPOSITIONS AND COMMENTS

Within 30 days after service of this Claim, Commission Staff or any other party may file a response to the Claim (*see* § 1804(c))

A. Opposition: Did any party oppose the Claim?	No.
B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?	Yes.

FINDINGS OF FACT

1. The Utility Reform Network has made a substantial contribution to D.18-10-009.
2. The requested hourly rates for The Utility Reform Network's representatives are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$28,191.65.

CONCLUSION OF LAW

The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

ORDER

1. The Utility Reform Network shall be awarded \$28,191.65.
2. Within 30 days of the effective date of this decision, Within 30 days of the effective date of this decision, Pacific Gas and Electric Company and Southern California Edison Company shall pay The Utility Reform Network their respective shares of the award, based on their California-jurisdictional electric revenues for the 2018 calendar year, to reflect the year in which the proceeding was primarily litigated. If such data is unavailable, the most recent electric revenue data shall be used. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning February 27, 2019, the 75th day after the filing of The Utility Reform Network request, and continuing until full payment is made.

3. The comment period for today's decision is waived.
4. This decision is effective today.

This proceeding remains open.

Dated _____, at Los Angeles, California.

APPENDIX**Compensation Decision Summary Information**

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1810009		
Proceeding(s):	A1712002/A1712003		
Author:	ALJ Cooke and ALJ Stevens		
Payer(s):	Pacific Gas And Electric Company, and Southern California Edison Company		

Intervenor Information

Intervenor	Date Claim Filed	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
The Utility Reform Network	12/14/18	\$28,191.65	\$28,191.65	N/A	N/A

Hourly Fee Information

First Name	Last Name	Attorney, Expert, or Advocate	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Hayley	Goodson	Attorney	\$405	2017	\$405
Hayley	Goodson	Attorney	\$435	2018	\$435
Eric	Borden	Expert	\$205	2017	\$205
Eric	Borden	Expert	\$210	2018	\$210
Kevin	Woodruff	Expert	\$265	2018	\$265

(END OF APPENDIX)